

**TESTIMONY ON SENATE BILL 147  
THE NATIVE HAWAIIAN GOVERNMENT REORGANIZATION ACT OF 2005  
BY  
MICAH A. KANE, CHAIRMAN  
HAWAIIAN HOMES COMMISSION  
  
BEFORE THE U.S. SENATE COMMITTEE ON INDIAN AFFAIRS  
WASHINGTON, D.C.**

**MARCH 1, 2005**

Aloha kakou, Chairman McCain, Vice Chairman Dorgan, Senator Akaka and Senator Inouye of Hawaii, and members of the U.S. Senate Committee on Indian Affairs.

I am Micah Kane, Chairman of the Hawaiian Homes Commission testifying in strong support of Senate Bill 147.

There are very few things, if any, that states have unanimous bi-partisan support for, at every level of government. The fact that there is unanimous, bi-partisan support at every level of government in the State of Hawaii is significant, and should be looked into further.

In most cases, testimony that you hear today will use legal arguments to sway your support. I want to use my time to explain the existence and operations of the Hawaiian Homes Commission.

My goal is to explain why passage of this measure is essential to preserve a trust that you, the Congress of the United States of America set-up more than three-quarters of a century ago, specifically for the native Hawaiian people.

In 1921, Congress set-aside more than 200,000 acres of land for the purpose of rehabilitating native Hawaiians. A nine-member commission appointed by the Governor is responsible for the administration of the Hawaiian Homes Commission Act.

As Chairman of the Commission I represent 7,400 residential and agricultural lessees and more than 28,000 Native Hawaiian U.S. Citizens, who reside in more than 30 communities throughout the state of Hawaii. Each community elects its own officers. Here joining me is the President of our statewide association Uncle Tony Sang.

We employ more than 130 staff, with offices on all major islands. More than 90 percent of our operating cost is born by income generated independently by our trust. For all intents and purposes, we are a self-sufficient government entity.

As a native Hawaiian trust we underwrite more than \$250 million in HUD financed mortgage loans, and manage a \$50 million direct loan portfolio for high risk home loans.

We are the largest residential developer in the state of Hawaii. Over the next 4 years, under Governor Lingle's Administration, we will award more than 4,500 new residential homestead leases. Nearly 60 percent of these families will earn less than 80 percent of median income. We are a major component of fulfilling affordable homeownership goals set by our Governor and minority homeownership goals set by President Bush.

We manage more than 600 different land dispositions throughout the state of Hawaii, including general leases, licenses, rights-of-entry and revocable permits. Funds that are generated from these dispositions are applied to the cost of our operations and to our residential developments.

Our sovereign lands are not subject to state or county zoning laws, however, we have chosen to establish formal memorandum of agreements with respective counties to assure for proper planning and continuity with our county and state partners.

Besides the opportunities for homeownership, our Hawaiian Homes Commission recognizes that education is a key for a bright future for our children, and has set-aside lands for charter schools, at no cost. These schools are not exclusive to our beneficiaries.

Under Governor Lingle's administration we have setup an Advisory Board, which is made up of Hawaii's largest private developers, landowners and business leaders. Ironically, none of them are native Hawaiian. They serve because they believe in our cause and believe the work we do is important to the state of Hawaii.

As a native Hawaiian trust we see ourselves as the torchbearer of our culture, our language, our music and our hula, all of which we share with our non-native brothers and sisters.

I believe that the perpetuation of our culture is essential to our State's future. It is the essence of who we are as residents of our nation's 50<sup>th</sup> state. A native Hawaiian governing entity is needed to assure our culture is alive for future generations to experience.

Senate Bill 147 is the first step in guaranteeing that our culture will survive for generations to come.

- Senate Bill 147 DOES NOT designate a governing entity . . . it authorizes a process.

- Senate Bill 147 DOES NOT increase spending by the federal government . . . it moves the Hawaiian people toward self-sufficiency.
- Senate Bill 147 DOES NOT allow for gambling . . . it prohibits any form of gambling.
- Senate Bill 147 DOES NOT over-ride any legal statute . . . but brings legal clarity to federal cases that threaten our existence as a trust and people.
- Senate Bill 147 DOES NOT alienate any person . . . but provides the Native Hawaiian people an opportunity to perpetuate our culture. And, this is with the blessing of all the people of Hawaii.

In closing, as Chairman of the Hawaiian Homes Commission, I spend more than 25 percent of my day, everyday, defending our right to exist because of legal challenges facing our trust. We have spent millions of dollars in attorney fees and staff time defending our right to exist. This is a trust that was established by an act of Congress. You did it because you recognized the unjust history that our people experienced.

The Hawaiian Homes trust is part of the fabric of Hawaii. It is part of the essence of Hawaii. We ask that you do the right thing. We ask for your concurrence of the wishes of our people, native and non-native in the state of Hawaii.

Mahalo